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TAGS: ECON KMDR KPAO PGOV PREL SNAR EFIN CI
SUBJECT: Sept. 9 Santiago Media Report

Lead

¶1. Colombia displaced Chile as the best country in which to do business in Latin America, according to the Doing Business 2010 World Bank ranking. Colombia moved up 12 positions and Chile down 9 (Conservative, independent, La Tercera, 9/9).

U.S.-Related News

¶2. President Bachelet will attend the UNASUR-Africa summit convoked by Hugo Chavez in Margarita Island, Venezuela, on September 26 and 27. She must return to Santiago on the 27th to inaugurate the Americas Competitiveness Forum. U.S. Secretary of Commerce Gary Locke has confirmed he will attend the forum (El Mercurio, 9/9).

¶3. The controversy surrounding President Obama's speech at a school reflects the polarization that exists in the United States today. Since Obama announced he would speak at a school, conservative radical groups are accusing him of wanting to politically use the schoolchildren. But the most revealing anecdote of Obama's speech was his warning to the children to "beware" with what they posted on Facebook, because "In the era of YouTube, anything you post can be used against you in the future," said the President (La Tercera, 9/9).

Copper Law

¶4. President Bachelet submitted to Congress the draft bill that eliminates the "Copper Law," which obligates state copper company Codelco to turn over 10 percent of its revenues to finance the Armed Forces. The draft bill also changes the confidential classification of the defense budget and a new financing process, whereby the Defense Ministry must submit a 12-year plan for Congress to approve annually with the budget. The 12-year proposal can be amended every four years by the President (Conservative,

influential newspaper-of-record, *El Mercurio*, 9/9).

¶5. For the government, the elimination of the Copper Law is highly symbolic, because it means ending a mechanism inherited from the military dictatorship (Government-owned *La Nacion*, 9/9).

¶6. Defense Minister Francisco Vidal noted that Codelco was the only company levied with such a specific tax (*La Nacion*)

¶7. Army and Navy Commanders-in-Chief Oscar Izurieta and Edmundo Gonzalez, respectively, expressed satisfaction with the proposal for the Defense Ministry to present a 12-year strategic plan to finance the Armed Forces, which can be reviewed every four years. "Issues related to defense expenses and investment cannot be short-term," said Gonzalez. Izurieta concurred (*La Nacion*, 9/9).

Poll

¶8. The Adimark-GFK survey gave President Bachelet a 73 percent rate of approval and a 19 percent of disapproval, attributed primarily to her personal charisma and management of the financial crisis. The government, on the other hand, has only a 57 percent of approval and 34 percent rate of disapproval (*Conservative, afternoon, La Segunda*, 9/8).

Human Rights

¶9. Army Commander-in-Chief Oscar Izurieta informed the Chamber of Deputies' defense committee that the 13 retired army officers working as contractors for the army today and previously indicted with human rights violations, would be removed from the institution immediately. The 13 were members of the intelligence organizations during the military government. Defense Minister Francisco Vidal explained the government's policy. Active army personnel would be removed from the institution if they were sentenced, but not if only indicted. On the other hand, retired personnel working on contract for the army would be immediately removed if indicted (*La Tercera*, 9/9).

Commemorating the 1973 coup

¶10. The government authorized several events and marches requested by human rights groups to commemorate the September 11, 1973 coup and President Allende. One will take place by Allende's statute in front of La Moneda on the 11th, and another at the National Stadium to remember those who were detained at the sports facility. There will be a march in downtown Santiago "For the Fallen" and another "For Human Rights" on the 13th, to the General Cemetery in Recoleta (*El Mercurio*, 9/9).

SIMONS